

Item # \_\_\_\_\_

Prepared by: Gaye Davis/Lee Hinson

Approved by: \_\_\_\_\_

---

**RESOLUTION APPROVING A LEASE AGREEMENT WITH PRAXAIR, INC. (“PRAXAIR”), AS APPROVED BY THE BOARD OF COMMISSIONERS OF THE MEMPHIS AND SHELBY COUNTY PORT COMMISSION ON NOVEMBER 19, 2008. SPONSORED BY COMMISSIONER WYATT BUNKER.**

---

**WHEREAS**, Praxair, Inc. (“Praxair”), has requested that the Memphis and Shelby County Port Commission lease certain lands to it located in Pidgeon Industrial Park, such lands being more particularly described in the Lease Agreement attached hereto as Exhibit “A”; and

**WHEREAS**, Praxair has proposed to use the leased lands to construct and install underground pipelines for the transmission of nitrogen and oxygen to the Valero Refinery; and

**WHEREAS**, the term of the proposed Lease Agreement is for a period of five years with three additional terms of five years each; and

**WHEREAS**, the annual rental for the first five year period is \$20,000.00 with increases for additional periods as described in the attached Lease Agreement; and

**WHEREAS**, said proposed Lease Agreement is in the best interest of the Memphis and Shelby County Port Commission.

**WHEREAS**, said proposed Lease Agreement was approved by the Memphis and Shelby County Port Commission at its regular monthly meeting held on November 19, 2008.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE**, On recommendation of the Memphis and Shelby County Port Commission, that the proposed Lease Agreement with Valero be and hereby is approved.

**BE IT FURTHER RESOLVED**, That the Mayor of Shelby County is hereby authorized to execute same.

**BE IT FURTHER RESOLVED**, That this action is subject to concurrence by City of Memphis.

\_\_\_\_\_  
A C Wharton, Jr.  
County Mayor

Date\_\_\_\_\_

Attest:

\_\_\_\_\_  
Clerk of County Commission

ADOPTED\_\_\_\_\_

## SUMMARY SHEET

- I. **Description of Item:** Resolution approving a lease agreement with Praxair, Inc., as approved by the Board of Commissioners of the Memphis and Shelby County Port Commission on November 19, 2008.

II. **Source and Amount of Funding**

This is a lease agreement. The Lessee pays rental to the Port Commission as Lessor.

III. **Contract Items**

- A. Type of Contract: Lease Agreement
- B. Terms: The term of the proposed lease is for a period of 5 years and with three additional terms of five years each.

IV. **Additional Information Relevant to approval of this item**

Praxair, Inc., will use this leased land to construct and install two underground pipelines to Valero Refinery. One will be a 10" pipeline to transport oxygen. The other will be a 6" pipeline to transport nitrogen. Praxair, Inc., as Lessee, will pay \$20,000 annually for this lease agreement. After the initial five year period the annual rental for each renewal period will be negotiated by the parties and agreed upon at least 180 days prior to the renewal date. No increase will exceed ten (10%) percent of the most recent previously paid rent. If parties are unable to agree upon the increase, then the annual rent will automatically increase by ten (10%) of the most recent previously paid rent.